

BA5013 STRATEGIC INVESTMENT AND FINANCING DECISIONS

DETAILED SYLLABUS

OBJECTIVE:

- Enable students to acquire techniques of evaluating strategic investment decisions understand the causes of prediction modes of financial distress.

UNIT I INVESTMENT DECISIONS

Project Investment Management Vs Project Management – Introduction to profitable projects – evaluation of Investment opportunities – Investment decisions under conditions of uncertainty – Risk analysis in Investment decision – Types of investments and disinvestments.

UNIT II CRITICAL ANALYSIS OF APPRAISAL TECHNIQUES

Significance of Information and data bank in project selections – Investment decisions under capital constraints – capital rationing, Portfolio – Portfolio risk and diversified projects.

UNIT III STRATEGIC ANALYSIS OF SELECTED INVESTMENT DECISIONS

Lease financing – Lease Vs Buy decision – Hire Purchase and installment decision – Hire Purchase Vs Lease Decision – Mergers and acquisition – Cash Vs Equity for mergers.

UNIT IV FINANCING DECISIONS

Capital Structure – Capital structure theories – Capital structure Planning in Practice.

UNIT V FINANCIAL DISTRESS 8

Consequences, Issues, Bankruptcy, Settlements, reorganization and Liquidation in bankruptcy.

REFERENCES:

1. Prasanna Chandra, Financial Management, Tata McGraw Hill, 9th Edition, 2012.
2. Prasanna Chandra, Projects: Planning, Analysis, Financing Implementation and Review, TMH, New Delhi, 2011.
3. Bodie, Kane, Marcus: Investment, Tata McGraw Hill, New Delhi, 2010.
4. Brigham E. F & Houston J.F. Financial Management, Thomson Publications, 9th edition, 2010.
5. M. Pandey, Financial Management, Vikas Publishing House, 10th edition, 2010.
6. M. Y. Khan and P. K. Jain, Financial Management Text and Problems, Tata McGraw Hill Publishing Co, 2011.
7. Website of IDBI Related to Project Finance.